

Integration of Total Quality Management (TQM) Principles to Define Strategy within Organizations

Avishkar Motilal
The University of Liverpool

Introduction

Calingo (1996, p. 19) advises that it has been established that a common factor which exists in most successful companies is focus on quality. It is suggested that quality ensures that a consistent level of service and reliability can be afforded to a customer which meets and satisfies customers' requirements consistently. Hence, this assists in lasting relationships being formed between the customer/ consumer and supplier as advised by (<http://businesscasestudies.co.uk/portakabin/the-importance-of-quality-in-creating-competitive-advantage/what-is-quality.html#axzz2YIc9zcvs>, 2013).

Both Salvatore (2012, p. 11- 32) and Oakland (2003, p. 4) advise that quality can be used by organization as a tool to achieve strategic and competitive advantage over competitors as also postulated by Motilal (2016). However it is reiterated by Calingo (1996, p. 19) that success in quality requires that every strategic decision in the organization requires and in-depth an analysis to predict every implication concerning quality in the strategic decision making process. It can be understood that this would be an almost impossible task, however, the processes followed would ensure consistent actions towards improvements- hence allowing for organizational processes to be refined thereby reducing costs, enhancing customer satisfaction and ultimately impacting positively on quality. With the further understanding that business leadership requires that the leaders have a definite direction and purpose for how to steer the organization and ensuring that this is communicated effectively to all elements of the organization, Oakland (2003, p.4), it can be deduced that for business organizations to attain an advantage from quality processes, quality practices such as TQM have to be integrated into a central strategy and direction. It will then further have to exist in all facets of the organization in order for quality strategies to benefit the organization at optimal levels.

Discussion

Oakland (2003, p. 47- 63) advises that there are 6 basic steps to foundation steps for the implementation of TQM in an organization:

Develop a vision and mission for the organization

Develop organization into critical success factors (CSF)

Define key performance outcomes and indicators relating to mission and CSF

Understanding core processes and gain sponsorships

Breaking down core processes to sub processes or smaller tasks

Ensuring people process and policies are aligned to common goals.

Calingo, (1996, p. 21) clearly shows the importance of integrating TQM into policy in relation to most of the steps discussed above using the 'hoshin karin' case example. In that example it is demonstrated that the importance of TQM being used across the entire organization and not just one facet in order to ensure an organizational culture of quality in all operations. The illustration of this can be seen as links on a chain, eg. for the entire chain to be completely strong and a quality reliable product to be marketed, all links are required to be of the same quality of standards. Likewise, in an organization, different departments and facets are the links in the chain and thus it is essential for all of these links to be of the same level of superior quality in order to ensure that a quality service or product is available to the consumer. The Hoshin system also adopted elements of the 6 steps discussed above in that the elements entailed, Calingo (1996, p22):

- a) Formulating the plan- Using SWOT analysis and other strategic management tools including benchmarking, continual monitoring and improvement with regards to quality management
- b) Deploy to all departments- The plan is communicate to all different department and all the workers

- c) Implementation- in that the plan was implemented in all the departments, with sometimes the overall plan having to be broken down into smaller steps with clear goals
- d) Evaluation- Where auditing and other feedback mechanisms are used to continually evaluate the progress of the quality plan and strategy where necessary rectification or improvements can be made if needed.

Calingo (1996, p21) advocates that TQM in organizational strategy is able to be a formidable mechanism that ensure competitive advantage, and promote longevity of an organization with regards to customer satisfaction and preference. This can be seen in a number of contexts internationally and prevalent in niche industries where customers and providers are limited or even regarded as closed markets as discussed by Motilal (2016).

Conclusion

The models of quality discussed above can definitely contribute to organization attaining a competitive advantage in their industries and simultaneously ensuring customer satisfaction. The reasons for this is that we can understand that a business organization is in place to attain a profit, and this is only possible from sales of services or goods. With customer satisfaction being the centre of attention an organization is able to centre its focus on providing a quality product or service which satisfies customer expectations if not exceed it, thus generating sales and ultimately better market share for an organization. By the processes discussed above, it is hypothesised that organizations which have strategies in place to achieve/ improve quality (and customer preference), endeavour to ensure that quality principles are followed whilst consistently improving on processes can definitely assist organizations in achieving competitive advantages through having TQM as an organizational strategy.

Reference List

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